

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TENNESSEE

IN RE:)	
)	
APPALACHIAN OIL COMPANY, INC.,)	Case No. 2:09-50259
)	Chapter 11
Debtor.)	
)	

**LIMITED OBJECTION FILED BY GREYSTONE BUSINESS CREDIT II, LLC TO
MOTION TO SELL AND ASSIGN PROPERTY TO ROGERS PETROLEUM FREE
AND CLEAR OF LIENS AND ENCUMBRANCES AND FOR APPROVAL OF BIDDING
PROCEDURES**

COMES NOW, Greystone Business Credit II, LLC (“Greystone”), by and through counsel, and hereby files this limited objection to Debtor’s Motion to Sell and Assign Property Free and Clear of Liens and Encumbrances and for Approval of Bidding Procedures, Docket # 626, (the “Motion”).

1. In the Motion, Debtor seeks in part an award of “an assignment or break-up fee in an amount . . . up to the sum of \$25,000.” Motion, ¶ 12.

2. Greystone does not object, if the Debtor deems it appropriate, to the entry of an order granting Rogers Petroleum an administrative claim for the amount of the assignment or break up fee. Greystone files this limited objection solely for the purpose of notifying the Court and all parties in interest that Greystone does not consent to any administrative expense claim awarded to Rogers Petroleum being imposed upon Greystone or any of its collateral.”

3. Under the express terms of the Final Order Authorizing Debtor in Possession financing and Use of Cash Collateral, Docket # 242, Greystone’s written consent is required before any cost of administration may be imposed on Greystone or any of its collateral. Order, ¶ 29. Since Greystone does not consent, any administrative expense awarded to Rogers Petroleum may not be imposed on Greystone or its collateral.

WHEREFORE, Greystone respectfully requests that any order approving a break-up or assignment fee to Rogers Petroleum as an administrative expense omit any provision requiring payment of the fee by Greystone or any provision that would require payment of this expenses out of Greystone's collateral and that the Court grant Greystone such other relief as is appropriate in this matter.

Respectfully submitted,

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